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7. What is the nature and extent of allotment control exercised over major components, field installations, and projects?

a. Is the allotment breakdown sufficiently detailed or is it too detailed?

b. How, when, and by whom are allotments adjusted?

c. Does the chief of a major component or field installation have authority to transfer funds from one allotment to another or to adjust allotments?

d. What is the mechanism for determining whether an allotment is in excess of requirements?

e. When it is determined that an allotment is in excess of requirements, what action is taken?

f. If the maximum amount of an allotment has been prescribed via project approval, who is responsible that the project allotment does not exceed that authorized.

g. Do allotments reflect full amounts approved in the budget? If not, who has authority to withhold portions of authorized funds in making an allotment?

h. Does allotment control include making allotments quarterly or phasing allotments according to major stages in a project or activity?

i. Are the reports prepared by Finance and Fiscal Divisions on periodic status of allotment adequate? Are they used effectively?

As indicated in the answer to question 3, allocations of funds available to the Agency are made on area or an office basis. To the extent possible allotments within the allocations are established at a level to provide an operating reserve for program changes that may arise at a later date. This method provides the maximum amount of flexibility possible within an Agency such as this one. Allotment control is made more effective in that the allotments are made on a divisional and/or project basis within the approved allocation. This approach assures maximum compliance with the plans as submitted to and approved by the DCI and yet provides the aforementioned flexibility to meet changing situations.

a. The allotments issued by the Budget Division are detailed sufficiently to provide the desired control over personal services and other activities of the organization unit or project. This is accomplished by breaking down vouchered allotments by (1) the amount for personal services and (2) all other costs lumped together. Occasionally, other objects or specific limitations are stated in the allotment advice when a greater

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degree of control is considered necessary. Otherwise, the offices are permitted flexibility in creating obligations for other objects in order to achieve the best program results possible. Allotments of unvouchered funds are not broken down by object of expenditure but specific limitations are stated on the allotment advice as in the case of vouchered allotments.

b. Allotments are revised either upon the request of the using organizational unit or upon the initiation of the Budget Division if its analysis of operations indicates a revision is required. These revisions occur as deemed necessary and as previously indicated all revisions are approved by the Chief of the Budget Division or the Chief of the Budget Branch, in the case of the MD/P Area. See answer to question 5 for more detail.

c. No. See b above and answer to question 5.

d. The Fiscal and Finance Divisions issue monthly reports showing, among other things, the status of allotment accounts. The review of these reports by both the Budget Analysts and the operating offices indicate a trend in the rate of obligations and furnishes the bases on which inquiries can be made as to whether or not an allotment is in excess of requirements or will need increasing.

e. As previously indicated, when allotments are determined to be in excess or deficient, action is initiated either by the operating office or the Budget Division to adjust the allotment to the new revised amount. The actual adjustment being made in all cases by the Budget Division.

f. The Allottee.

g. No. See answer to question 5 for more detail.

h. Allotments are made annually, quarterly, or by project stage as the situation may warrant. Annual allotments are broken down into quarterly amounts which are controlling on the allottee. See answer to question 5 for more detail.

i. The Finance and Fiscal Division reports on the status of allotments are adequate and are used as stated in d above.

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8. Who exercises control when funds are obligated? Does a fiscal officer certify to the availability of funds or is this the responsibility of the allottee?

The allottee has the full responsibility for keeping the obligations covering operations within the amount of funds made available to him. In many offices, the Budget Officer or Fiscal Officer of the component certifies availability of funds on behalf of the Allottee prior to releasing the obligation document.

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9. What are the arguments, pro and con, for "no-year" funds?

Attached is a copy of a staff study on the No Year Appropriation approach to Agency funds.

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